IDB.43/4*-PBC.31/4*

United Nations Industrial Development Organization

Distr.: General
20 April 2015

Original: English

Industrial Development Board
Forty-third session
Vienna, 23-25 June 2015
Item 4 (b) of the provisional agenda
Financial situation of UNIDO, including unutilized balances of appropriations

Programme and Budget Committee
Thirty-first session
Vienna, 27-29 May 2015
Item 5 of the provisional agenda
Financial situation of UNIDO, including unutilized balances of appropriations

Financial situation of UNIDO

Report by the Director General

The present document provides information on the financial situation of the Organization as at 31 March 2015.

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* Reissued for technical reasons on 28 April 2015.

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I. Overview

1. The financial situation as at 31 March 2015 can be summarized in the following major points:

(a) Regular budget net expenditure for the first year of the biennium 2014-2015 amounted to €63.3 million in 2014, or 89.6 per cent of the approved 2014 net budget estimates. As at 31 March 2015, €82.7 million or 56.2 per cent of the gross biennial appropriation was spent;

(b) The operational budget expenditure amounted to €18.5 million in the reporting period;

(c) The expenditure level for buildings management amounted to €33.3 million in accordance with the prevailing workplan;

(d) The collection rate of 2015 assessed contributions at 31 March 2015 was 40.8 per cent, compared to the 2014 and 2013 rates of 36.8 and 38 per cent, respectively;

(e) The collection rate of prior years' arrears, as compared to the current year's assessments, was 3.6 per cent. The rate as at 31 March 2014 and 2013, as compared to the assessments of those years, was 1.2 and 10.2 per cent, respectively;

(f) Outstanding assessed contributions amounted to €140.4 million, as shown in the annex to the present document (including arrears of €69.1 million by the United States of America, and €2.1 million by the former Yugoslavia). The outstanding amounts as at 31 March 2014 and 2013 were €138.2 million and €138.9 million, respectively;

(g) The Working Capital Fund was at the level of €7,423,030. €150,620 was outstanding as at 31 March 2015;

(h) A conference room paper will be issued on the status of assessed contributions and voting rights, which will contain updated information.

II. Regular and operational budgets, 2014-2015

A. Regular budget

2. Allotments to the value of €63.5 million were issued in 2014, against which, by 31 December 2014, regular budget net expenditures amounted to €63.3 million. This amount corresponds to 89.6 per cent of the total approved net regular budget for 2014. In 2012, the first year of the preceding biennium, an implementation rate of 87.8 per cent was recorded.

3. At the onset of 2013, the second year of the biennium, further allotments to the value of €69.5 million were issued. This represents an initial release threshold by budget line and/or major object of expenditure to facilitate sufficient funding at the commencement of the second year and to ensure a smooth run of activities for each programme entity.

4. As at 31 March 2015, expenditures totalled €82.7 million, corresponding to 56.2 per cent of the gross biennial budget. These indicators are comparable with those of the previous biennium where, at 31 March 2013, expenditures amounted to €83.7 million, representing 53.0 per cent of the gross biennial budget.

B. Operational budget

5. Allotments of €13.7 million net of carried forward amounts were issued in 2014, in line with expected support cost reimbursement income. As at 31 December 2014, net expenditures amounted to €14.9 million, representing 92.6 per cent of the net approved operational budget.

6. Allotments of €3.96 million were carried forward to 2015, which consists of uncommitted allotments and the unliquidated obligations at the end of 2014.

7. At the beginning of 2015, an additional €14.6 million were allotted. This level is equivalent to 87 per cent of estimates included in the approved programme and budgets when all budget categories are considered. Allotments for staff costs have been released on the basis of staff on board. Further allotments in the amount of €0.6 million were issued in 2015 for non-staff expenditures.

8. Operational budget expenditures amounted to €18.5 million on 31 March 2015. In the preceding biennium similar expenditures amounted to €16.4 million as at 31 March 2013.

9. Technical cooperation activities in 2014 reached a level of US$ 171.2 million, including obligations. Income from support costs and other miscellaneous sources in 2014 amounted to €12.5 million. During the first quarter of 2015, technical cooperation project delivery reached US$ 63.1 million, including obligations.

C. Buildings management

10. An allotment of €21.6 million net of carried forward amounts was issued in 2014 with an additional amount of €25.7 million in 2015. The buildings management budget is being implemented in accordance with the prevailing workplan.

11. Expenditures as at 31 March 2015 amounted to €33.3 million, compared to €35.0 million in 2013. This amount represents 60.5 per cent of the buildings management gross expenditure biennial budget.

III. Assessed contributions

A. Collections

12. A total of forty-four Member States, including six least developed countries (LDCs), have made full payments. Twenty-one Member States, four of which are LDCs, have made partial payments and/or their adjustments have been credited towards their assessed contributions for the year 2015. The collections in the period from January to March 2015, broken down by List of States, are shown in table 1.

Table 1
Collections, January-March 2015
(In millions of euros)

List of States[*]	*Current year*	*Prior years*	*Total*
A	5.27	0.86	6.13
B	18.24	0.00	18.24
C	0.43	0.05	0.48
D	5.07	0.02	5.09
Others	0.00	0.07	0.07
USA	0.00	0.00	0.00
Yugoslavia (former)	0.00	0.00	0.00
Total	**29.01**	**1.00**	**30.01**

[*] As contained in document PBC.31/11.

B. Outstanding contributions

13. The detailed status of assessed contributions outstanding as at 31 March 2015 is contained in the annex to the present document. The scale of assessments and outstanding contributions as of the same period, broken down by List of States, are shown in table 2.

Table 2
Scale of assessments and outstanding contributions as at 31 March 2015

List of States[*]	*Scale of assessments (%)*	*Millions of euros*		
		Current year	*Prior years*	*Total*
A	21.817	10.41	4.04	14.45
B	57.858	23.22	1.01	24.23
C	11.402	7.76	17.51	25.27
D	8.118	0.77	4.15	4.92
Others	0.031	0.02	0.25	0.27
Subtotal	**99.226**	**42.18**	**26.96**	**69.14**
USA		0.00	69.07	69.07
Yugoslavia (former)		0.00	2.08	2.08
Total	**99.226**	**42.18**	**98.11**	**140.29**

[*] As contained in document PBC.31/11.

IV. Voting rights

14. As indicated in the annex to the present document, the voting rights of forty-seven Member States had been suspended as at 31 March 2015, in accordance with Article 5.2 of the Constitution and financial regulation 5.5 (b). In comparison, the voting rights of forty-two countries had been suspended at the same time last year. The status of voting rights in respect of the various policymaking organs is shown in table 3.

Table 3
Suspension of voting rights, as at 31 March 2015

Members of	*Number of members*		
	2015	*2014*	*2013*
General Conference	47	42	37
Industrial Development Board	1	2	2
Programme and Budget Committee	1	1	1

15. In order to restore their voting rights for 2015, these Member States must pay their full contributions for 2012 and prior years, including advances to the Working Capital Fund, as well as a partial contribution for 2013. The minimum total amount that would have to be paid by these Member States is €6,519,610.

V. Multi-year payment plans

16. Table 4 shows, in summary form, the current status of those Member States that have entered into payment plan arrangements to settle outstanding assessed contributions. The Secretariat notes with appreciation and recognizes the considerable efforts made by all those Member States that have honoured their commitments and obligations as stipulated in their respective payment plans. Other Member States in arrears are encouraged to consider submitting payment plans to steadily reduce their outstanding assessed contributions.

Table 4
Payment plans — status as at 31 March 2015
(Amounts in euros)

Member State	*Total amount of arrears covered by the plan**	*Outstanding amounts 31/3/15*	*Amounts received due in 2015*	*Duration years*	*Instalment due in 2015 (month)*	*Instalment due*	*Payment made in 2015*
Brazil	25,577,384	18,219,408	18,219,408	5	June	Fourth/Fifth	Delayed
Costa Rica	280,742	314,608	159,3[illegible]/ 14,856	10	September	Part Third/ Fourth/Fifth	Received/ partial
Republic of Moldova	878,231	169,814	82,067	10	June	Ninth	Scheduled
Ukraine	1,949,104	1,382,926	993,106	5	April	Third/Fourth	Delayed
Total	**28,685,461**	**16,543,407**	**15,440,613**				

* Total amount of arrears at time of signing the plan.

VI. Arrears by former Member States

17. The amount of arrears owed to UNIDO by the United States of America is €69,068,887 (1994-1996), while the arrears of the former Yugoslavia amount to €2,081,599 (1990-2001). Payment of these arrears is being pursued by the Secretariat.

VII. Unutilized balances of appropriations

18. In accordance with the General Conference decision GC.15/Dec.13, unutilized balances of appropriations, a total amount of €942,896 was made available for the special account to retain office space for the biennium 2014-2015. As at 31 December 2014, the entire amount has been utilized by maintenance expenditures of the Common Buildings Management services, including a proportionate share of Safety and Security service charges for the two floors.

VIII. Action required of the Committee

19. The Committee may wish to consider recommending to the Board the adoption of the following draft decision:

"The Industrial Development Board:

(a) Takes note of the information provided in document IDB.43/4-PBC.31/4;

(b) Urges those Member States and former Member States that have not yet paid their assessed contributions, including advances to the Working Capital Fund and prior years' arrears, to do so without delay;

(c) Requests the Director General to pursue his efforts and contacts with Member States and former Member States to effect the collection of arrears;

(d) Requests the Director General to continue his efforts to ensure that current Member States sustain their support to the Organization."

Annex

Status of assessed contributions to the regular budget
(In euros)

Status as at 31 March 2015

Member State	*Outstanding assessed contributions*	*WCF due*	*Total due*	*Years outstanding (since)*	*Voting rights[a]*	*Minimum payment to gain voting rights*
Afghanistan	5,750	0	5,750	2015	Yes	0
Albania	10,586	0	10,586	2015P	Yes	0
Algeria	146,418	0	146,418	2015P	Yes	0
Angola	0	0	0	–	Yes	0
Argentina	722,754	0	722,754	2014P	Yes	0
Armenia	914,275	0	914,275	1992P	No	894,040
Austria	936,489	0	936,489	2015	Yes	0
Azerbaijan	0	0	0	–	Yes	0
Bahamas	0	0	0	–	Yes	0
Bahrain	45,998	0	45,998	2015	Yes	0
Bangladesh	5,984	0	5,984	2015P	Yes	0
Barbados	29,653	0	29,653	2012P	No	2,860
Belarus	0	0	0	–	Yes	0
Belgium	1,055,143	0	1,055,143	2015	Yes	0
Belize	1,685	0	1,685	2013P	Yes	0
Benin	13,361	0	13,361	2012P	No	2,850
Bhutan	0	0	0	–	Yes	0
Bolivia (Plurinational State of)	41,732	0	41,732	2011P	No	12,970
Bosnia and Herzegovina	0	0	0	–	Yes	0
Botswana	0	0	0	–	Yes	0
Brazil	18,073,947	145,461	18,219,408	2005P	Yes	Payment plan
Bulgaria	0	0	0	–	Yes	0
Burkina Faso	4,866	0	4,866	2014P	Yes	0
Burundi	48,145	0	48,145	1995P	No	46,170
Cabo Verde	0	0	0	–	Yes	0
Cambodia	5,031	0	5,031	2015	Yes	0
Cameroon	26,299	0	26,299	2014P	Yes	0
Central African Republic	120,356	1	120,357	1989	No	118,380
Chad	109,122	130	109,252	1991	No	103,010
Chile	0	0	0	–	Yes	0
China	6,040,820	0	6,040,820	2015	Yes	0
Colombia	377,778	0	377,778	2014P	Yes	0
Comoros	143,535	1	143,536	1986	No	141,540
Congo	15,967	26	15,993	2012P	No	1,390
Costa Rica	299,753	0	299,753	2008P	Yes	Payment plan
Côte d'Ivoire	0	0	0	–	Yes	0
Croatia	277,066	0	277,066	2014P	Yes	0
Cuba	145,602	0	145,602	2014P	Yes	0

Member State	*Outstanding assessed contributions*	*WCF due*	*Total due*	*Years outstanding (since)*	*Voting rights*[a]	*Minimum payment to gain voting rights*
Cyprus	0	0	0	–	Yes	0
Czech Republic	0	0	0	–	Yes	0
Democratic People's Republic of Korea	7,187	0	7,187	2015	Yes	0
Democratic Republic of the Congo	162,541	43	162,584	1989P	No	152,080
Denmark	0	0	0	–	Yes	0
Djibouti	45,641	0	45,641	1995P	No	43,660
Dominica	7,609	0	7,609	2005P	No	5,630
Dominican Republic	748,761	649	749,410	1987	No	600,810
Ecuador	95,553	0	95,553	2014P	Yes	0
Egypt	0	0	0	–	Yes	0
El Salvador	424,502	1,614	426,116	1988	No	369,300
Equatorial Guinea	29,242	0	29,242	2011P	No	8,070
Eritrea	0	0	0	–	Yes	0
Ethiopia	13,105	0	13,105	2014P	Yes	0
Fiji	3,033	0	3,033	2015P	Yes	0
Finland	0	0	0	–	Yes	0
Gabon	68,897	0	68,897	2012P	No	8,650
Gambia	67,338	0	67,338	1994P	No	65,360
Georgia	1,639,758	450	1,640,208	1992P	No	1,618,440
Germany	4,190,123	0	4,190,123	2015P	Yes	0
Ghana	15,767	0	15,767	2015P	Yes	0
Greece	748,904	0	748,904	2015	Yes	0
Grenada	52,295	0	52,295	1995P	No	50,320
Guatemala	55,201	0	55,201	2014P	Yes	0
Guinea	5,589	0	5,589	2012P	No	2,100
Guinea-Bissau	125,666	1	125,667	1988P	No	123,690
Guyana	715	0	715	2015P	Yes	0
Haiti	0	0	0	–	Yes	0
Honduras	36,481	0	36,481	2011P	No	10,450
Hungary	311,923	0	311,923	2015	Yes	0
India	852,543	0	852,543	2014P	Yes	0
Indonesia	406,075	0	406,075	2015	Yes	0
Iran (Islamic Republic of)	1,368,649	0	1,368,649	2011P	No	303,140
Iraq	79,778	0	79,778	2015	Yes	0
Ireland	0	0	0	–	Yes	0
Israel	0	0	0	–	Yes	0
Italy	70,045	0	70,045	2015P	Yes	0
Jamaica	50,506	0	50,506	2012P	No	9,980
Japan	13,723,319	0	13,723,319	2014P	Yes	0
Jordan	25,874	0	25,874	2015	Yes	0
Kazakhstan	102	0	102	2015P	Yes	0
Kenya	0	0	0	–	Yes	0
Kuwait	320,548	0	320,548	2015	Yes	0

Member State	*Outstanding assessed contributions*	*WCF due*	*Total due*	*Years outstanding (since)*	*Voting rights[a]*	*Minimum payment to gain voting rights*
Kyrgyzstan	385,151	137	385,288	1993P	No	380,590
Lao People's Democratic Republic	1,975	0	1,975	2015P	Yes	0
Lebanon	95,578	0	95,578	2013P	Yes	0
Lesotho	1,707	0	1,707	2013P	Yes	0
Liberia	0	0	0	–	Yes	0
Libya	306,964	0	306,964	2014P	Yes	0
Luxembourg	0	0	0	–	Yes	0
Madagascar	6,401	0	6,401	2014P	Yes	0
Malawi	4,271	0	4,271	2013P	Yes	0
Malaysia	329,891	0	329,891	2015	Yes	0
Maldives	3,344	0	3,344	2011P	No	1,370
Mali	17,215	0	17,215	2011P	No	3,980
Malta	18,687	0	18,687	2015	Yes	0
Mauritania	88,397	137	88,534	1992P	No	83,820
Mauritius	0	0	0	–	Yes	0
Mexico	2,161,184	0	2,161,184	2015	Yes	0
Monaco	0	0	0	–	Yes	0
Mongolia	6,788	0	6,788	2014P	Yes	0
Montenegro	19,689	242	19,931	2012P	No	4,320
Morocco	72,590	0	72,590	2015P	Yes	0
Mozambique	0	0	0	–	Yes	0
Myanmar	7,204	0	7,204	2014P	Yes	0
Namibia	0	0	0	–	Yes	0
Nepal	13,237	0	13,237	2014P	Yes	0
Netherlands	0	0	0	–	Yes	0
Nicaragua	0	0	0	–	Yes	0
Niger	53,239	0	53,239		No	47,000
Nigeria	96,600	0	96,600	2015P	Yes	0
Norway	0	0	0	–	Yes	0
Oman	0	0	0	–	Yes	0
Pakistan	100,976	0	100,976	2014P	Yes	0
Panama	25,498	0	25,498	2015P	Yes	0
Papua New Guinea	43,869	208	44,077	2003P	No	32,370
Paraguay	10,947	0	10,947	2015P	Yes	0
Peru	170,938	0	170,938	2014P	Yes	0
Philippines	31,411	0	31,411	2015P	Yes	0
Poland	0	0	0	–	Yes	0
Qatar	462,583	0	462,583	2014P	Yes	0
Republic of Korea	0	0	0	–	Yes	0
Republic of Moldova	169,814	0	169,814	1998P	Yes	Payment plan
Romania	0	0	0	–	Yes	0
Russian Federation	0	0	0	–	Yes	0
Rwanda	5,130	0	5,130	2012P	No	420
Saint Kitts and Nevis	4,801	0	4,801	2009P	No	2,820

Member State	*Outstanding assessed contributions*	*WCF due*	*Total due*	*Years outstanding (since)*	*Voting rights**	*Minimum payment to gain voting rights*
Saint Lucia	521	0	521	2015P	Yes	0
Saint Vincent and the Grenadines	119,826	1	119,827	1989P	No	117,850
Samoa	719	0	719	2015	Yes	0
Sao Tome and Principe	143,535	1	143,536	1986	No	141,560
Saudi Arabia	0	0	0	–	Yes	0
Senegal	7,237	0	7,237	2014P	Yes	0
Serbia	46,717	0	46,717	2015	Yes	0
Seychelles	719	0	719	2015	Yes	0
Sierra Leone	1,325	0	1,325	2014P	Yes	0
Slovakia	100,261	0	100,261	2015P	Yes	0
Slovenia	0	0	0	–	Yes	0
Somalia .	143,534	1	143,535	1986	No	141,560
South Africa	0	0	0	–	Yes	0
Spain	3,487,935	0	3,487,935	2015	Yes	0
Sri Lanka	29,467	0	29,467	2015	Yes	0
Sudan	5,440	0	5,440	2015P	Yes	0
Suriname	13,072	0	13,072	2013P	Yes	0
Swaziland	0	0	0	–	Yes	0
Sweden	0	0	0	–	Yes	0
Switzerland	0	0	0	–	Yes	0
Syrian Arab Republic	129,865	1,448	131,313	2012P	No	20,830
Tajikistan	73,934	0	73,934	1997P	No	65,170
Thailand	0	0	0	–	Yes	0
The former Yugoslav Republic of Macedonia	46,860	0	46,860	2009P	No	20,830
Timor-Leste	2,042	0	2,042	2015P	Yes	0
Togo	14,501	0	14,501	1999P	No	12,520
Tonga	1,547	0	1,547	2013P	Yes	0
Trinidad and Tobago	47,432	0	47,432	2015P	Yes	0
Tunisia	62,623	0	62,623	2014P	Yes	0
Turkey	0	0	0	–	Yes	0
Turkmenistan	277,780	0	277,780	1996P	No	204,940
Tuvalu	2,826	68	2,894	2012P	No	920
Uganda	23,898	0	23,898	2012P	No	4,260
Ukraine	1,382,926	0	1,382,926	1999P	Yes	Payment plan
United Arab Emirates	697,876	0	697,876	2015	Yes	0
United Republic of Tanzania	24,923	0	24,923	2012P	No	3,760
Uruguay	55,028	0	55,028	2015P	Yes	0
Uzbekistan	498,783	0	498,783	1997P	No	455,430
Vanuatu	72,879	1	72,880	1992P	No	70,900
Venezuela (Bolivarian Republic of)	1,494,428	0	1,494,428	2013P	Yes	0
Viet Nam	0	0	0	–	Yes	0
Yemen	28,670	0	28,670	2011P	No	7,500

Member State	*Outstanding assessed contributions*	*WCF due*	*Total due*	*Years outstanding (since)*	*Voting rights*[a]	*Minimum payment to gain voting rights*
Zambia	7,187	0	7,187	2015	Yes	0
Zimbabwe	7,277	0	7,277	2013P	Yes	0
Subtotal	**69,141,057**	**150,620**	**69,291,677**			**6,519,610**
Yugoslavia (former)[b]	2,081,599		2,081,599	1990(P)-2001		
Non-Member:						
United States of America[c]	69,068,887		69,068,887	1994(P)-1996		
TOTAL	**140,291,543**	**150,620**	**140,442,163**			**6,519,610**

Notes:

(P) refers to partial payment.

[a] Voting rights of 47 Member States have been suspended in accordance with Article 5.2 of the Constitution of UNIDO.

[b] Outstanding contributions to be resolved (General Assembly resolution 63/249).

[c] Member State of UNIDO until 31 December 1996.